

MEMORANDUM

DATE: September 17, 2018  
TO: All Prospective Contractors/Applicants/Subawardees  
FROM: Susan J. Sullivan, Executive Director  
RE: NEIWPCC Indirect Policy

**NEIWPCC's Indirect Cost Policy for Applicants**

NEIWPCC recognizes that in some instances, applicants may have costs that are not directly attributable to projects or activities being funded but that the recovery of those indirect costs is necessary in order to effectively implement the respective projects or activities. In those situations, the following indirect cost policy applies.

- Applicants that do not have a Negotiated Indirect Cost Rate Agreement may charge a maximum indirect rate of 10 percent of direct costs (de minimus rate).
- Applicants (including academic institutions) with a valid Negotiated Indirect Cost Rate Agreement (NICRA) with their cognizant federal agency can charge indirect costs to projects based on their negotiated indirect cost rate, but not to exceed 25% of the direct project costs, whichever is less.

Where an applicant has a NICRA higher than 25%, the difference may be applied to match if allowable under NEIWPCC's prime agreement with the funding entity. Check with your project officer to determine allowability.

- A valid NICRA is one in which the effective period has not expired. Applicants must provide a copy of their valid NICRA with their application in order for indirect costs reimbursement to be considered. If the effective period of the NICRA has expired but the grantee has documented evidence (via an indirect cost rate proposal) that they have reapplied for a new rate, the expired rate may be accepted.